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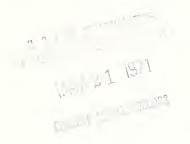
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FOREIGN AGRICULTURE CIRCULAR

U.S. DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service Washington D.C.





COFFEE FCOF 2-71 April 1971

WORLD COFFEE PRODUCTION

DOWN SLIGHTLY

Summary

A number of relatively small, offsetting changes in the production estimates for several countries resulted in a slight decrease in the Foreign Agricultural Service's fourth estimate of the 1970-71 world coffee crop from the third estimate made in December. The total world harvest is estimated at about 57 million bags, 1/of which approximately 39.2 million bags are expected to be available for export2/ after allowing for estimated consumption in the producing countries.

A few minor changes have also been made in the 1969-70 production estimates, based on recent and more complete information. Total production for 1969-70 is now put at 66 million bags, with exportable production estimated at 47.6 million bags.

U.S. imports of green coffee in 1970 amounted to only 19.7 million bags, the smallest amount imported since 1955. Imports of soluble coffee were also down compared with the previous year.

Late in the first quarter of 1971, there were two pro rata reductions in the overall 1970-71 International Coffee Agreement export quota, in response to a sharp reduction in the composite price for coffee.

^{1/} All bags in text and tables are 60 kg. (132.276 lb.)

^{2/} Exportable production is total production less estimated domestic consumption.

REGION AND COUNTRY	AVERAGE 1961-62/1965-66	1966-67	1967-68	1968-69	1969-70	1970-71
	1,030 BAGS 2/	1,000 8AGS 2/	1,000 BAGS 2/	1,000 BAGS <u>2</u> /	1,000 8AGS <u>2</u> /	1,000 8AGS 2
NORTH AMERICA:						
COSTA PICA	1.028	1,215	1,350	1,260	1,400	1,250
CU8A	597	450	450	500	500	550
DOMINICAN REPUBLIC	630	505	635	540	585	675
EL SALVADOR	1,986	1,960	2,400 5	1,900 5	2,500	1,900
GUATÉMALA	1,814	1,670	1,850	1,740	1 1,750	1,800
HAITI	594	465	500	48C	440	48C
HONDURAS	416	340	480	450	550	550
JAMAICA AND DEP	26 6	18	21	17	20	20
MEXICO	2,611	2,650	2,900	2,850	1 3,075	3,000
NICARAGUA	487	480	550	540	565	600
PANAMA	77	84	86	7 5	83	75
TRINIOAD-TOBAGOUS-HAWAII	5.8 5.5	54 48	72	65	43	75
US-PUERTO RICO	263	220	39 325	3 6 28C	28 300	31 300
TOTAL	10,550	10,168	11,667	10,742	11,841	11,308
=						
SOUTH AMERICA:		70	150			
80LIVIA	62 2 7, 580	70 20,000	150	160	165	165
COLOMBIA	7,860	7,600	23,000 3,000	16,500 7,900	19,000 8,450	9,750 8,000
ECUADOR 3/	808	975	1,175	1,000	660	1,100
GUYANA	9	19	19	20	18	18
PARAGUAY	54	25	40	05	50	25
P E P U	802 12	8 7 5	886 7	860 7	940 6	990 5
VENEZUELA	814	725	7 50	860	900	900
TOTAL	38,000	30,296	34,021	27,372	30,189	20,953
==						
FRICA: ANGOLA	2 016	3 300	2 460	3 100	2 200	2.200
BURUNDI	2,919 204	3,300 24C	3,400 315	3:100 275	3,300 240	3,300 330
CAMEROON	906	1,000	1,100	1,100	1,200	1,200
CAPE VERDE ISLANDS	2	2	2	2	2	2
CENT AFRICAN REP	156	140	175	160	200	150
COMORO ISLANOS	3	3	3	3	3	3
CONGO-BRAZZAVILLE	13 1,995	15 900	16 1,000	20 1,000	15 1,100	15 1,200
OAHOMEY	32	20	15	18	15	1,200
ETHIOPIA	1,539	1,750	1,750	2,045	2,600	2,100
GABON	1.8	15	15	20	2C	20
GHANA	49	77	94	83	95	75
IVORY CUAST	187 3,457	12C 2,2C0	170 4,500	180 3,400	200 4,600	2 7 5
KENYA	667	935	650	800	910	930
LISERIA	50	67	58	65	75	95
MALAGASY REPUBLIC	962	865	1,100	900	830	900
NIGERIA	31	34	51	53	50	65
RWANDASAU TOME-PRINCIPE	156 7	155	190	200	145 4	225 4
SIERRA LEONE	86	6 65	6 8ల	6 95	90	125
SPANISH AFRICA NEC	123	130	145	125	120	120
TANZANIA	535	990	740	950	775	900
T0G0	201	90	175	280	250	250
TOTAL	2,568 15,834	2,450 15,569	2,700 18,444	3,335 18,215	2,900 19,139	3,200
TOTAL	17,834	13,309	10,744	10,217	17 1 1 27	1 71 479
SIA:						
INDIA	1,055	1,395	1,050	1,300	1,150	1,400
INDUNESIA	2,316	1,850	2,150	2,000 135	2,200 100	2,350 100
MALAYSIA	101 667	135 740	135 700	135 735	785	750
PORTUGUESE TIMOR	36	45	48	55	50	55
VIETNAM SOUTH	59	55	55	55	50	50
TOTAL	83 4,017	6C 4,280	6C 4,198	70 4,350	60 4,395	4,765
- CIME	17011	7720	172 70	17230	.,,,,,	17133
OCEANIA:						
NEW CALEOUNIA	35	35	35	30	36	30
NEW GUINEA	87	225	243	355	425 3	490 3
NEW HEBRIDES	126	264	282	389	458	523
TOTAL	120	204	202	309	7,0	723
WORLD TOTAL,	68,534	66,577	68,612	61,068	66,022	57,048

^{1/} Coffee marketing year begins about July in some countries and in others about October. Includes cross-border movements for some countries.
2/ Of 60 kilograms each. 3/ As indicated in footnote 1, the coffee marketing year begins in some countries as early as July. Ecuador is one of these countries. Hence, the crop harvested principally during June-October 1970 in that country is shown as production for the 1970-71 marketing year. In Ecuador, however, this is referred to as the 1969-70 crop.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

NORTH AMERICA:	1,000 8 AGS 1,095 485 1,745 275 275 440 5
COSTA RICA. 906 1,080 1,210 1,115 1,250 CURA. 50	485 1,745 (3) 1,555 275 440 5
CUMA.	485 1,745 (3) 1,555 275 440 5
OOMINICAN REPUBLIC	485 1,745 (3) 1,555 275 440 5
GUADELOUPE. 3 (3) (3) (3) (3) (3) (3) GUATEMALA. 1,607 1,450 1,625 1,505 1,510 HAITI. 42I 290 320 295 255 HONOURAS. 338 250 390 350 445 HAITI. 42I 390 420 490 495 495 HAITI. 42I 31 31 31 31 31 31 31 31 31 31 31 31 31	(3) 1,555 275 440 5 1,450
GUATEMALA. 1,607 1,450 1,625 1,505 1,510 HAITI. 421 290 320 295 255 HONDOWAS. 338 250 390 350 445 JAMAICA ANO OEP. 13 6 9 4 5	275 440 5 1,450
HAITI. 42I 290 320 295 255 HONOURAS. 338 250 390 350 445 JAMAICA AND OEP. 13 6 9 4 5 MARTINIQUE	275 440 5 1,450
HONOUVAS. 338 250 390 350 445 JAMAICA ANO OEP. 13 6 9 4 5 5	5 1,450
MARTINIQUE MEXICO 1,591 1,590 1,500 1,400 1,575 MASSIGNAMA 24 24 24 24 24 24 11 18 TRINIDAO-TOBAGO 50 42 59 51 33 US-HAMAII 13 10 10 26 TOTAL 7,743 7,101 8,362 7,372 8,336 UTH AMERICA: BOLIVIA 23 35 50 55 55 88AZII 27,480 12,000 14,745 8,000 10,250 COLOMBIA 6,900 6,350 6,700 6,570 7,080 ECUADOR 4/ 52 44 15 29 AGUYANA 3 1 1 1 2 2 2 2 2 3 3 VENEZUELA 32 175 180 28,929 20,633 23,352 16,380 18,870 3,20	1,450
MEXICO	1,450
NICARAGUA. 439 420 490 495 495 PARAMA. 24 24 24 11 18 TRINIDAO-TOBAGO. 50 42 59 51 33 US-HAWAII. 13 10 10 26 US-PUERTO RICO. 42 14 TOTAL. 7,743 7,101 8,362 7,372 8,336 UUTH AMERICA: 80LIVIA. 23 35 55 55 55 88AZIL. 27,480 12,000 14,745 8,000 10,250 COLOMBIA. 6,800 6,350 6,700 6,570 7,080 ECUADOR \$\frac{1}{2}\$ 44 15 29 40 25 PARAGUAY. 44 15 29 40 25 PARAGUAY. 44 15 29 40 25 SURINAM. 7 2 2 2 3 3 3 3 VENEZUELA. 321 175 180 270 285 TOTAL. 28,929 20,633 23,352 16,380 18,870 SRICA: ANGOLA. 321 175 180 270 285 TOTAL. 28,929 20,633 23,352 16,380 18,870 PARAGOLA. 3982 970 1,070 1,070 1,170 CAPE VEPOE ISLANOS. 2 2 2 2 1 1 CENT AFRICAN REP. 151 135 170 155 195	
TRINIDAO-TOBAGO. 50 42 59 51 33 US-HAWAII. 13 10 10 26 TOTAL. 7,743 7,101 8,362 7,372 8,336 DUTH AMERICA: BOLIVIA. 23 35 55 55 BRAZIL. 27,486 12,000 14,745 8,000 10,250 COLOMBIA. 6,900 6,350 6,700 6,570 7,080 ECUADOR \$\frac{1}{2}\$ 624 780 975 795 450 GUYANA. 3 1 1 1 2 2 2 PARAGUAY. 44 15 29 40 25 PERU. 627 675 670 645 720 SURINAM 7 2 2 2 3 3 3 VENEZUELA 321 175 180 270 285 TOTAL 28,929 20,633 23,352 16,380 18,870 SRICA: ANGOLA. 2,864 3,240 3,340 3,040 3,200 BURUNDI 196 235 310 270 235 CAMEROUN 982 970 1,070 1,070 1,170 CAPE VEPOE ISLANDS 2 2 2 1 CENT AFRICAN REP. 151 135 170 155 195	525
US-HAWAII. 13 10 10 26 US-PUERTO RICO 42 14 TOTAL. 7,743 7,101 8,362 7,372 8,336 DUTH AMERICA: BOLIVIA. 23 35 5 5 55 BRAZIL 12,000 14,745 8,000 10,250 COLOMBIA. 6,900 6,350 6,700 6,570 7,080 ECUADOR 1/2 624 780 975 795 450 ECUADOR 1/2 2 2 2 DARAGUAY 4 15 29 40 25 PERU. 027 675 670 645 720 SURINAM 7 2 2 2 3 3 3 USAN 1 1 2 2 2 SURINAM 7 2 2 2 3 3 3 USAN 2 2 3 3 3 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 1 1 1 2 2 2 USAN 3 3 3 3 3 USAN 3 3 3 3 3 3 USAN 3 3 3 3 3 USAN 3 3 3 3 3 3 USAN 3 3 3 3 3 3 USAN 3 3 3 3 3 3 3 3 USAN 3 3 3 3 3 3 3 3 3 USAN 3 3 3 3 3 3 3 3 3 3 USAN 3 3 3 3 3 3 3 3 3 3 3 3 USAN 3 3 3 3 3 3 3 3 3 3 3 3 USAN 3 3 3 3 3 3 3 3 3 3 3 3 3 USAN 3 3 3 3 3 3	9
US-PUERTO RICO 42	63
TOTAL. 7,743 7,101 8,362 7,372 8,336 DUTH AMERICA: BOLIVIA. 23 35 55 55 RRAZIL. 27,486 12,000 14,745 8,000 10,250 COLOMBIA. 6,900 6,350 6,700 6,570 7,080 ECUADOR \$\frac{1}{2}\$ 624 780 975 795 450 GUYANA. 3 1 1 1 2 2 2 PARAGUAY. 44 15 29 40 25 PERU. 627 675 670 645 720 SURINAM. 7 2 2 2 3 3 3 VENEZUELA 321 175 180 270 285 TOTAL. 28,929 20,633 23,352 16,380 18,870 RRICA: ANGOLA. 2,864 3,240 3,340 3,040 3,200 BURUNDI 196 235 310 270 235 CAMERGON. 982 970 1,070 1,070 1,170 CAPE VEPOE ISLANDS 2 2 2 1 CENT AFRICAN REP. 151 135 170 155 195	
BOLIVIA	7,647
BOLIVIA	
BRAZIL 27,480 I2,000 14,745 8,000 10,250 COLOMBIA 6,900 6,350 6,700 6,570 7,080 ECUADOR \$\frac{1}{2}\$ 624 780 975 795 450 GUYANA 3 1 1 2 2 2 2 PARAGUAY 44 15 29 40 25 25 25 29 40 25 25 22 3	50
ECUADOR 4/ 624 780 975 795 450 GUYANA 3 1 1 2 2 2 PARAGUAY 44 15 29 40 25 PERU 527 675 670 645 720 SURINAM 7 2 2 2 3 3 3 YENEZUELA 321 175 180 270 285 TOTAL 28,929 20,033 23,352 16,380 18,870 FRICA: ANGOLA 528 929 20,033 23,352 16,380 3,040 3,200 BURUNDI 51 235 310 270 235 CAMERGUN 982 970 1,070 1,070 1,170 CAPE VEPOË ISLANDS 2 2 2 2 1 CENT AFRICAN REP. 151 135 170 155 195	1,750
GUYANA 3 1 1 2 2 2 2 PARAGUAY 44 15 29 40 25 PARAGUAY 627 675 670 645 720 SURINAM 7 2 2 2 3 3 3 3 VENEZUELA 321 175 180 270 285 TOTAL 28,929 20,633 23,352 16,380 18,870 SRICA: RICA: ANGOLA 2,864 3,240 3,340 3,040 3,200 BURUNDI 196 235 310 270 235 CAMEROUN 982 970 1,070 1,070 1,170 CAPE VEPOE ISLANDS 2 2 2 1 1 CENT AFRICAN REP 151 135 170 155 195	6,590 885
PARAGUAY. 44 15 29 40 25 PERU. 627 675 670 645 720 SUR INAM. 7 2 2 3 3 VENEZUELA. 321 175 180 270 285 TOTAL. 28,929 20,633 23,352 16,380 18,870 FRICA: ANGOLA. 2,864 3,240 3,340 3,040 3,200 BURUNDI. 190 235 310 270 235 CAMERGON. 982 970 1,070 1,070 1,170 CAPE VEPOE ISLANOS. 2 2 2 2 2 2 1 CENT AFRICAN REP. 151 135 170 155 195	2
SURINAM	
VENEZUELA. 321 175 180 270 285 TOTAL. 28,929 20,033 23,352 16,380 18,870 FRICA: ANGOLA. 2,864 3,240 3,340 3,040 3,200 BURUNDI. 190 235 310 270 235 CAMERGON. 982 970 1,070 1,070 1,170 CAPE VEROE ISLANOS. 2 2 2 1 CENT AFRICAN REP. 151 135 170 155 195	765
TOTAL 28,929 20,033 23,352 16,380 18,870 FRICA: ANGOLA. 2,864 3,240 3,340 3,040 3,200 800 19,000 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 235 310 270 270 270 270 270 270 270 270 270 27	2 265
ANGOLA	10,309
ANGOLA	
BURUNDI	3,200
CAPE VEROE ISLANDS	325
CENT AFRICAN REP	1,170
	1 145
	1
CONGO-BRAZZAVILLE	14
CONGO-KINSHASA	1,125
OAHOMEY	13 1,450
ETHIOPIA	18
GHANAssassassassassassassassassassassassassa	62
GUINEA	265
IVORY COAST	3,925 910
KENYA	90
MALAGASY REPUBLIC	7 7 5
NIGEPIA 34 32 49 43 30	45
RWANDA	2 1 5
SAO TOME-PRINCIPE 5 5 5 3 2 SIERRA LEGNE 76 55 70 85 85	120
SPANISH AFRICA NEC	110
TANZANIA	885
TOGO	245 3,185
USANDA	18,296
SIA: INDIA	650
INDONESIA 1,726 1,490 1,650 I,500 1,500	1,650
MALAYSIA	
PHILIPPINES	50
VIETNAM SOUTH	(3)
YEMEN	50
TOTAL	2,400
CEANIA:	
NEW CALEGONIA	
NEW GUINED INC. 72 210 246 315 421	
NEW HEBRIOES	486
	2
ORLD TOTAL 54,145 44,443 51,726 43,410 47,629	486

^{1/} Coffee marketing year begins about July in some countries and in others about October. Exportable production represents total harvested production minus estimated domestic consumption. Includes cross-border movements for some countries. 2/ Of 60 kilograms each. 3/ Hegligible.

4/ As indicated in footnote 1, the coffee marketing year begins in some countries as early as July. Ecuador is one of these countries. Mence, the crop harvested principally during June-October 1970 in that country is shown as production for the 1970-71 marketing year. In Ecuador, however, this is referred to as the 1969-70 crop.

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There were also two reductions in the <u>Unwashed Arabica</u> quota. As a result of these changes, the effective quota as of March 31, 1971, amounted to 50.6 million bags.

Production

North America. In the aggregate, coffee production in the North American and Caribbean countries declined by about 4.5 percent in 1970-71 compared with the previous year. Lower production in El Salvador, Mexico, and Costa Rica more than offset slightly higher production in the Dominican Republic, Haiti, Nicaragua, and Guatemala.

The latest production estimates from <u>Costa Rica</u> indicate a further reduction in the 1970-71 coffee harvest due, in part, to unusually heavy rains during the harvest season. It is now expected that the current crop will yield about 1.25 million bags, compared with last year's record 1.4 million bags. With the reduced quotas now in effect, Costa Rica should be able to meet its quota under the ICA without difficulty, though large shipments to Annex B countries could not be made.

As a result of heavy frost damage, the 1970-71 coffee crop estimate for Mexico has been reduced by 200,000 bags from the third estimate made in December.

There has been no recent change in the 1970-71 estimates for El Salvador and Guatemala. In both countries, the current crop is only slightly larger than the country's 1970-71 quota. However, El Salvador had substantial carryover stocks on October 1, 1970, and it is anticipated that shipments of about 250,000 bags may be made to Annex B countries during the year.

As a result of generally favorable weather and the absence of hurricane damage in recent years, both <u>Haiti</u> and the <u>Dominican Republic</u> have good crops this year. However, though its exports will increase this year, Haiti will not have sufficient coffee to fill its 1970-71 quota.

Estimates for Nicaragua and Honduras are unchanged from those made in December.

South America. The estimate for the 1970-71 Brazilian coffee harvest remains unchanged at 9.75 million bags. However, the carryover in private hands from the preceding crop was somewhat larger than usual; hence, an adequate supply of fresh coffee is available to meet the 1970-71 quota.

It is anticipated that the 1971-72 harvest, which will commence in May, will be substantially larger than last year's, as trees have made a very good recovery from the frost damage of 1969.

The estimate for Colombia for the 1970-71 harvest has been reduced substanially, based on the most recent information. Lower production apparently resulted from a combination of excessive rains and the fact that it was the off year in the production cycle. In earlier reports it had been assumed that these factors would have been offset by the more widespread use of modern cultural practices and increased fertilization.

Coffee production in both <u>Ecuador</u> and <u>Peru</u> was up significantly in 1970-71, with production in the latter country at a record level. This reflects continuation of a trend of steadily increasing production in these two countries during the past decade.

Africa. Coffee production in Africa continued to increase. The 1970-71 harvest, amounting to about 19.5 million bags, constituted a new record high.

Production in the East African countries of Ethiopia, Kenya, Uganda, and Tanzania was higher than in the previous year. This was also true for the coffee harvest in the island of Madagascar. These increases were offset, to a certain extent, by a substantial decline in the size of the coffee crop in the Ivory Coast.

Asia and Oceania. It is now believed that the 1970-71 harvest in India was larger than earlier estimated. At approximately 1.4 million bags, the crop constituted near-record production.

There have been no changes in the estimates for $\underline{\text{Indonesia}}$ and $\underline{\text{Papua}}$ and $\underline{\text{New}}$ $\underline{\text{Guinea.}}$

Market Developments in Coffee

Oct.-Dec. 1970. The period October through December 1970, the first quarter of the 1970-71 coffee year, was marked by a downward trend in prices for all types of coffee; an unusual number of export quota adjustments under the provisions of the International Coffee Agreement in response to these price movements; considerable dissatisfaction concerning the overall size of the quota and special "discount" sales by some producing countries; and, complaints about depressed markets and weak demand.

Nevertheless, despite the apparently chaotic market situation, data recently released by the International Coffee Organization indicate that exports during the quarter were at normal levels. Shipments of 11.9 million bags (60 kg. each) during the 3-month period, though about 5.5 percent lower than during the same period the previous year, were about 5 percent above average exports during the same quarter in the past 4 years.

Within the overall total, however, there were some significant shifts. Exporters of Robusta coffees, mainly African countries, obtained a substantially larger share of the market during the October-December quarter than in preceding years. Other Milds (essentially Western Hemisphere countries other than Brazil and Colombia) increased their market slightly, while Colombian Milds and Unwashed Arabicas (largely Brazils) lost ground. It would appear that some roasters around the world may, in some cases, have responded to prevailing price levels by substituting blends of Other Milds and Robustas for previous mixtures of Colombian Milds and Brazils. It would be unwise, however, to read too much significance into data covering only one quarterly period.

Jan.-Mar. 1971. Midway in the first quarter of 1971, the Brazilian Government adopted a new coffee policy, sharply reducing the minimum export registration price from 51 cents per pound to 39 cents per pound. At the same time modifications were announced in the contribution quota, the grower support price, and the price guarantee system to foreign importers of Brazilian coffee.

The immediate effect of these actions was a significant reduction in the indicator, and selling, price for Brazilian coffees to its traditional level between the price for Robustas and Other Milds. It is believed that with these more realistic prices for Brazilian coffee, the "special deals" which had disturbed the world coffee industry may no longer be employed.

International Coffee Organization Quota Actions. The sudden drop in the Unwashed Arabica indicator price, which occurred in mid-February, reduced the composite price to below 46 cents per pound. As a result, and in accordance with ICO Resolutions 225 and 226, two pro rata quota reductions of 1.5 million bags each and two additional reductions in the Unwashed Arabica quota of 542,165 bags each went into effect in March. The result was to reduce the overall 1970-71 export quota to about 50.6 million bags as of March 31, 1971.

Should the price for Unwashed Arabicas remain below 48.25 cents per pound, as anticipated, there will be two further reductions in the Unwashed Arabica quota in April, bringing the overall quota level down to 49.5 million bags.

World Consumption Trends. Despite a declining level of consumption in the United States, the world's largest single market, apparent consumption in the other importing countries has continued to grow at a rate sufficient to produce about a 1-percent-per-year increase in world exports during the past 5 years.

Based on the most recent data from the International Coffee Organization (see table), apparent world consumption (exports plus or minus inventory changes) in the importing countries now amounts to about 54 million bags per year. Of this amount approximately 50.5 million is consumed in quota markets and slightly more than 3 million bags per year in nonquota, or Annex B, markets. Some of these latter countries, particularly Japan, have shown rapid increases in consumption during the past few years.

Among the items of interest made apparent by the ICO data is the steady decline in the past few years of reexports and diversions from Annex B countries. This reflects the increasing effectiveness of control measures imposed by the Coffee Organization.

Another aspect of the world coffee picture is the sharp increase in undershipments in 1969-70. Most of this was due to the fact that Brazil fell short of meeting its 1969-70 quota by approximately 1.8 million bags. Because of its very short crop in 1970-71, it is likely that Brazil will again fail to meet its quota in the current year.

Stocks. Following 5 years of annual drawdowns on accumulated stocks to make up for deficit production, the formerly huge stored surplus has been reduced considerably. Based on the most recent and complete information available, the Foreign Agricultural Service now estimates that stocks held in producing countries amounted to no more than 38.7 million bags at the close of the 1969-70 coffee year. This represents a drawdown in stocks during the 1969-70 coffee year of about 5.8 million bags and a reduction of about 16 million bags in the past 2 years alone. With world demand in 1970-71 continuing at about the same level as in preceding year, and with the very short Brazilian crop, it is clear that world stocks will show a further, very substantial reduction during the current coffee year. As of September 30, 1971, stocks will probably not exceed 25 million bags, which would be the lowest figure since 1958.

Although Brazil continues to hold most of the stocks, as in the past, its percentage of the total has declined in response to slight stock buildups in certain other producing countries.

It is believed likely that this trend will continue during the next 2 years and that further declines in Brazilian stocks will be partially offset by a significant buildup in stocks of Robusta coffees.

U.S. Trade. U.S. imports of green coffee in 1970 amounted to only 19.7 million bags, a decline of 3 percent from the preceding year and the smallest amount imported since 1955. Although this low import figure was, in part, a reflection of declining demand for coffee in the United States, there was also a significant drawdown during the year of stocks held by importers and roasters. These stocks declined from about 3.8 million bags in December 1969 to about 2.6 million bags as of December 31, 1970.

Imports of soluble coffee were also down, from a total of 911,205 bags (green-bean equivalent) in 1969 to only 823,795 bags (green-bean equivalent) in 1970. Brazil continued as the principal supplier, although its shipments of 542,225 bags (green-bean equivalent) in 1970 amounted to only 66 percent of the total compared with 70 percent of the larger total in 1969. Switzerland was the second largest supplier in 1970, shipping 78,967 bags (green-bean equivalent) to the U.S. market.

The United States purchased green coffee from many different countries in 1970, as in past years. However, there were some significant changes in the proportions coming from the different areas. Latin American producers of Mild coffee increased their share of the U.S. market to 37 percent in 1970 from 36 percent in 1969. However, there was a substantial shift away from Brazilian coffee, which accounted for only 24 percent of imports in 1970 compared with 29 percent in 1969, in favor of imports from Africa and Asia (largely Robustas), which took 39 percent of the U.S. market in 1970 compared with 35 percent in 1969.

GREEN COFFEE: Value of exports by specified producing countries 1963-69 1/

Countries	1963	1964	1965	1966	1967	1968	2/1969 3/
	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.	Mil. U.S. dol.
Costa Rica Dominican Republic El Salvador Guatemala Haiti Honduras Mexico Nicaragua	46 19 75 77 16 14 43	48 31 93 71 16 17 84 21	47 21 96 92 20 22 63 26	52 21 91 100 18 20 71 22	55 17 97 68 13 17 52 21	55 18 92 73 14 21 66 23	54 21 87 81 17 18 65 21
Brazil Colombia Ecuador Peru Venezuela	747 303 18 26 23	760 394 21 37 20	707 344 38 29 14	764 328 32 29 17	705 322 39 26 15	774 351 38 32 8	780 344 27 31 16
Angola Ethiopia Ivory Coast Uganda Kenya Tanzania	63 44 120 76 31	95 64 129 99 43 31	93 75 106 85 39 24	106 62 123 97 53 42	123 56 103 97 44 33	122 62 145 100 36 37	112 69 122 109 47 36
IndiaIndonesia	17 20	29 27	24 32	23 33	22 45	25 43	27 48
Total specified countries	1,815	2,130	1,997	2,104	1,970	2,135	2,132

^{1/} Coffee exports from these countries represent around 90 percent of total world exports. 2/ Revised. 3/ Preliminary.

Foreign Agricultural Service. Compiled from official statistics of foreign governments, reports of agricultural attaches and Foreign Service officers, trade reports, and other related source materials.

Continent and country :	1966	1967	1968	1969	1970 1/
:	Bags 2/	Bags 2/	Bags 2/	Bags 2/	⊔Bags 2/
North America:					
Costa Rica	231,384	324,088	293 , 994	271,243	374,574
Dominican Republic:	352,874	253,523	329,276	325,516	352 ,1 49
El Salvador	592,683	853,489	578,699	596,387	539,191
Guatemala	1,110,111 89,481	706,127 87,850	718,291 89,791	825,034 60,634	711,876 60,034
Honduras	248,555	138,614	342,169	269,252	213,487
Mexico	1,034,997	990,192	1,293,040	1,125,476	982,062
Nicaragua	135,376	174,002	216,079	152,866	127,827
Panama	5,264	7,804	8,498	500	4,140
Trinidad and Tobago	11,152 654	20 , 159 1 ,8 88	4 1, 315 62	32 , 452 20	28,285 2,4 36
Other					
Total North America	3,812,531	3,557,736	3,911,214	3,659,380	3,396,061
South America:					
Brazil	6,731,010	6,069,371	8,317,780	5,779,648	4,717,133
Colombia	2,709,900	3,062,755	3,049,851	2,479,442	2,497,103
Ecuador	432,278 447,309	467,390 447,502	416,530 510,017	376,799 453,497	599 , 92 6 523 , 055
Peru	270,625	283,496	158,698	282 , 919	253,030
Other	78,283	81,356	61,588	43,647	42,862
Total South America	10,669,405	10,411,870	12,514,464	9,415,952	8,633,109
=					, , , , , , , , , , , , , , , , , , ,
Africa: :					
Angola	1,211,189	1,481,956	1,754,092	1,293,994	1,378,325
Burundi/Rwanda	333,371	433,147	429,047	427,343	331,837
Cameroon	33 1, 253 35 , 840	381,243 41,631	481,543 259,720	308,143 157,629	419,601 173,875
Ethiopia	792,048	1,059,034	963,467	942,872	1,070,504
Ivory Coast	1,224,366	689,997	1,457,884	813,782	1,233,223
Kenya	173,806	113,683	211,898	117,240	173,447
Malagasy Republic	245,853	345,927	496,687	329,415	308,045
Tanzania	237,154	127,917	201,320	252,284	281,629
Uganda	1,245,939 646,110	1,054,721 220,580	1,201,995 246,262	1,023,521 323,164	923,541 305,893
Total Africa	6,476,929	5,949,836	7,703,915	5,989,387	6,599,920
=					
Asia and Oceania:	45,283	135,218	117,651	117,653	52,008
India	974,349	1,136,803	993,460	922,321	822,069
Other	82,360	114,590	133,073	123,763	221,912
Total Asia and Oceania	1,101,992	1,386,611	1,244,184	1,163,737	1,095,989
Other countries	1,942	5,782	5,743	4,365	1,600
Grand total	22,062,799	21,311,835	25,379,520	20,232,821	19,726,679

^{1/} Preliminary. 2/ 132.276 lb. each.

Foreign Agricultural Service. Compiled from official records of the Bureau of the Census.

Calendar year	1966	: : 1967 :	: : 1968 :	: 1969	1970 <u>1</u> /
	Bags 2/	Bags 2/	Bags 2/	Bags 2/	Bags 2/
January February March April May June		1,979,151 1,618,308 2,092,294 1,717,016 1,721,544 1,646,851	2,202,380 2,460,589 1,755,075 2,398,436 1,956,415 1,640,882	363,175 1,111,042 2,014,741 2,195,313 1,663,752 1,746,915	1,783,403 1,841,054 1,715,678 1,638,688 1,643,781 1,890,940
January - June .	11,694,596	10,775,164	12,413,777	9,094,938	10,513,544
July	: 1,309,060 : 2,084,606 : 2,167,597 : 1,573,023	1,748,253 1,818,394 1,598,623 2,102,596 1,844,717 1,424,088	2,481,072 2,398,350 2,321,955 1,682,161 2,137,254 1,944,951	1,714,315 1,476,064 1,778,440 2,326,839 2,167,091 1,675,134	1,549,915 1,615,975 1,354,545 1,713,547 1,596,844 1,382,309
July - December	10,368,203	10,536,671	12,965,743	11,137,883	9,213,135
Calendar year total	22,062,799	21,311,835	25,379,520	20,232,821	19,726,679
Fiscal year total 3/	23,747,706	21,143,367	22,950,448	22,060,681	21,651,427
ICO year 4/	24,128,070	21,345,120	24,986,555	19,828,123	21,203,043

United States Bureau of the Census.

^{1/} Preliminary.
2/ 132.276 lb. each.
3/ Twelve months, ending June 30 of year shown.
4/ Twelve months, ending September 30 of year shown. ICO is International Coffee Organization.

GREEN COFFEE: U. S. gross imports by country or area of origin, average 1960-64, annual 1967-70

Area of origin	Aver 1960		196	7	196	8	: : 196	9	: : 1970	1/
	Mil. bags 2/	Per-		Per- cent	Mil. bags 2/	Per- cent	Mil. bags 2/	Per- cent	Mil. bags	Per- cent
Brazil	8,68	37	6.07	29	8.32	33	5.78	29	4.71	24
Africa and Asia	5.24	23	7.34	34	8.95	35	7.15	35	7.69	39
Mild coffees:										
Colombia	4.06	18	3.06	14	3.05	12	2.48	12	2.50	13
Other South America	1.08	5	1.28	6	1.15	5	1.16	6	1.41	7
Mexico and Central America.	3.51	15	3.20	15	3.45	14	3.24	16	2.98	15
Caribbean	. 54	2	•36	_2	.46	1	.42	2	.44	2
Total Latin Amer. Milds	9.19	40	7.90	37	8.11	32	7.30	36	7.33	37
Total world	23.11	100	21.31	100	25.38	100	20.23	100	19.73	100

United States Bureau of the Census.

^{1/} Preliminary.
2/ 132.276 lb. each.

Item	1965-66	1966-67	1967-68	1968-69	1969-70
	1,000 Bags <u>1</u> /				
Quota level	44,697	45,373	49,691	48,488	51,991
Overshipments	2,951	1,838	843	9	6
Shipments to Annex B	4,207	4,766	4,666	4,561	3,536
(a) for internal consumption	2,018	2,375	2,787	2,802	2,903
(b) reexports and diversions	2 , 189	2,391	1,879	1,759	633
Shipments from nonmembers	440	472	278	409	393
"Tourist" coffee	800				
Metropole shipments	407	398	392	454	500
Subtotal	53 , 502	52,847	55,870	53,921	56,426
Undershipments	1,190	1,044	846	764	2,485
Total shipments	52 ,31 2	51,803	55,024	53,157	53,941
Stock changes (Sept. 30)	(+) 931	(-) 948 (-	+)3,312 (-)1,773	(+) 940
Exports (plus or minus) inventory changes		52,751	51,712	54,930	53,001

^{1/60} kilograms or 132.276 lb. each

Foreign Agricultural Service. Compiled from International Coffee Organization data.





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